

EXHIBIT 9



1
2 UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK
4 Case No. 22-cv-4563

5 - - - - -x

6 COMMODITY FUTURES TRADING COMMISSION,

7 Plaintiff,

8 -against-

9 GEMINI TRUST COMPANY,

10 Defendant.

11 - - - - -x

12
13 CONFIDENTIAL VIDEOTAPED DEPOSITION OF
14 SHANE MOLIDOR
15 NEW YORK, NEW YORK
16 WEDNESDAY, DECEMBER 13, 2023
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22 REPORTED BY:

23 DANIELLE GRANT

24 JOB NO.: 6305652
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| <p style="text-align: right;">Page 190</p> <p>1 MOLIDOR</p> <p>2 for, did participate in trading on Gemini's</p> <p>3 exchange as well as its auction.</p> <p>4 Q And at 1:27:19, Joe Keefer says:</p> <p>5 It would be nice if our auction orders</p> <p>6 didn't tie up our capital.</p> <p>7 Do you see that?</p> <p>8 A Yes.</p> <p>9 Q What did you understand him to</p> <p>10 mean?</p> <p>11 MR. LAVIGNE: Objection.</p> <p>12 A I can't speak to what I thought he</p> <p>13 might have meant at that point, given that</p> <p>14 this occurred almost seven years ago. My</p> <p>15 assessment of what he means reading this now</p> <p>16 is that placing an auction order, either an</p> <p>17 auction-only market order or</p> <p>18 auction-only-limit order would post that</p> <p>19 capital, and that capital could not be then</p> <p>20 used to place other orders on the continuous</p> <p>21 limit order book in the time leading up to</p> <p>22 auction.</p> <p>23 MR. LAVIGNE: Objection. Move to</p> <p>24 strike.</p> <p>25 Q And why was that?</p> | <p style="text-align: right;">Page 192</p> <p>1 MOLIDOR</p> <p>2 from the same capital. The exchange would</p> <p>3 prevent them from doing so.</p> <p>4 Q And was that because the exchange</p> <p>5 required all orders to be fully pre-funded?</p> <p>6 A I can't speak to if that mechanism</p> <p>7 existed because of pre-funded order</p> <p>8 requirements. All that I can speak to is</p> <p>9 that my understanding is that that reality</p> <p>10 did exist for order entry on the exchange.</p> <p>11 Q And at 1:28:04 p.m., you say:</p> <p>12 Well, that would undermine the entire</p> <p>13 concept of all orders settling immediately</p> <p>14 because they come from pre-funded accounts.</p> <p>15 Do you see that?</p> <p>16 A I see that.</p> <p>17 Q What did you mean there?</p> <p>18 A I don't remember what I might have</p> <p>19 meant then. This was almost seven years</p> <p>20 ago. It seems like I say what Joe is</p> <p>21 referring to might undermine the concept of</p> <p>22 immediate order settlement.</p> <p>23 Q And --</p> <p>24 MR. LAVIGNE: Objection. Move to</p> <p>25 strike the last part of the answer.</p> |
| <p style="text-align: right;">Page 191</p> <p>1 MOLIDOR</p> <p>2 MR. LAVIGNE: Same objection.</p> <p>3 A I'm not sure if I understand the</p> <p>4 question.</p> <p>5 Q Why was it that, if you posted an</p> <p>6 auction order, you wouldn't be able to place</p> <p>7 orders otherwise on the Gemini exchange?</p> <p>8 MR. LAVIGNE: Same objection.</p> <p>9 A I can't speak to why the exchange</p> <p>10 would have implemented this mechanism. My</p> <p>11 understanding then was that this was part of</p> <p>12 the back-end technology in system that</p> <p>13 governed the exchange.</p> <p>14 Q And what was it about the back-end</p> <p>15 technology and system that governed the</p> <p>16 exchange that would tie up one's capital?</p> <p>17 MR. LAVIGNE: Objection.</p> <p>18 A My understanding was that, if a</p> <p>19 customer placed an order to purchase bitcoin</p> <p>20 and that order was resting on the order</p> <p>21 book, the customer could then not place</p> <p>22 another order that would utilize the same</p> <p>23 capital indicating an order to then by</p> <p>24 ether. The two could be placed at the same</p> <p>25 time given that they would attempt to pull</p> | <p style="text-align: right;">Page 193</p> <p>1 MOLIDOR</p> <p>2 Q And why is that the case?</p> <p>3 MR. LAVIGNE: Same objection.</p> <p>4 A I'm not sure.</p> <p>5 Q And in the statement, when you say</p> <p>6 "it's because they come from pre-funded</p> <p>7 accounts," what did you mean?</p> <p>8 A I don't remember.</p> <p>9 Q Sitting here today and having had</p> <p>10 the experience of participating in this chat</p> <p>11 at the time and working at Gemini for the</p> <p>12 time that you did, what do you understand it</p> <p>13 to mean?</p> <p>14 MR. LAVIGNE: Objection.</p> <p>15 A Utilizing the knowledge that I</p> <p>16 know today, my interpretation of this</p> <p>17 message is that multiple orders could not be</p> <p>18 placed point to the same capital and all</p> <p>19 execute, given that the amount of capital</p> <p>20 then being used to participate in trades</p> <p>21 would exceed the amount of capital available</p> <p>22 to pull from.</p> <p>23 Q And is that because Gemini</p> <p>24 required all accounts to be fully</p> <p>25 pre-funded?</p> |

